

Before the
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Post Office Structure Plan

Docket No. N2012-2

PUBLIC REPRESENTATIVE INITIAL BRIEF
(July 20, 2012)

I. INTRODUCTION

This proceeding commenced on May 25, 2012, with a request from the Postal Service for an advisory opinion on its Post Office Structure Plan (POStPlan).¹ The Postal Service had announced on May 9, 2012, its intention to implement POStPlan. In a press release issued that day,² the Postmaster General was quoted as saying that “we’ve listened to our customers in rural America and we’ve heard them loud and clear—they want to keep their Post Office open.” In the same press release the Chief Operating Officer of the Postal Service was quoted as saying, “The Post Offices in rural America will remain open unless a community has a strong preference for one of the other options.” A PowerPoint presentation issued in conjunction with the press release contained a slide stating, “Starting review process for approximately 13,000 Post Offices. . . . Rural Post Offices will remain open unless community has strong alternative preference.”³

Unfortunately, the POStPlan presented to the Commission will not preserve 13,000 rural Post Offices. Community preference will not necessarily determine the fate of a Post Office. POStPlan does not apply to “non-operational” Post Offices,⁴ which

¹ United States Postal Service Request for an Advisory Opinion on Changes in the Nature of Postal Services, May 25, 2012 (Request).

² New Strategy to Preserve the Nation’s Smallest Post Offices, Release No. 12-054, May 9, 2012; http://about.usps.com/news/national-releases/2012/pr12_054.htm, as viewed July 13, 2012.

³ Our Plan to **Preserve Rural Post Offices**, May 9, 2012, at 8 (original boldface); <http://about.usps.com/news/electronic-press-kits/our-future-network/assets/pdf/postplan-presentation-120509.pdf>, as viewed July 13, 2012.

⁴ USPS-T-1, Direct Testimony of Jeffrey C. Day, May 25, 2012, at 1, n.1 (Day).

include suspended Post Offices and offices closed under the RAOI. Tr. 1/34. The Postal Service will weigh community preference against its own “operational needs” when determining whether to keep an office open. Day at 17-18; Tr. 1/246-47. And even if a Post Office survives with realigned window hours, it remains subject to emergency suspension and/or closing pursuant to Handbook PO-101. Tr. 1/32.

II. “OPERATIONAL NEEDS” WILL CAUSE SMALL RURAL POST OFFICES TO CLOSE

Witness Day testifies that

Postal Service personnel will survey customers to solicit their preference for realigned window service hours or discontinuance study, which will help inform the Postal Service’s decision The Postal Service will review the surveys and the operational needs of the Postal Service to determine whether a Post Office will continue with realigned window service hours. Day at 17-18.

Witness Day has provided several scenarios in which “operational needs” would result in the discontinuance of a POSTPlan Post Office rather than a realignment of window hours. He has cited the Postal Service’s inability “to acquire necessary staffing or utilities to operate the office safely.” Tr. 1/33. He has cited “a building burnt down, there was no other building in which to put a post office.” *Id.* at 247.

“Operational needs” is a conveniently vague criterion. For example, when asked to “provide the rationale for selecting 25 miles as the threshold [radius] for establishing PTPOs,” the Postal Service cited “management’s determination of operational needs, customer impact and consultations with Postmaster associations.” *Id.* at 93. When asked to “provide the rationale for selecting 1.1 as the appropriate multiplier [to account for ‘minor variations’ in calculating earned workload using CSV and SOV],” the Postal Service cited “management’s determination of operational needs and consultations with Postmaster associations.” *Id.* at 104. Not only does invocation of “operational needs” fail to provide the requested information, it also fails to shed any light on the meaning of the phrase.

Staffing RMPOs. Acquiring necessary staffing already presents challenges for the Postal Service, witness Day’s assertions to the contrary notwithstanding. The Commission is familiar with the inability of the Postal Service to find qualified employees

to staff the Gepp, AR and Kirksey, KY Post Offices.⁵ If district managers and MPOOs are currently unable to fill what are essentially full-time positions, how will they fill part-time positions that offer lower wages and fewer benefits?⁶ Do the staffing problems at Gepp and Kirksey constitute the tip of an iceberg? Not even the Postal Service can provide a reliable answer.

In a July 19 filing, the Postal Service stated:

It should be further noted that the Postal Service is currently conducting a review of *all* Post Offices to confirm suspension status. The data presented in USPS-LR-N2012-2/11 are correct based on current available information; however, the Postal Service will file an updated USPS-LR-N2012-2/11, if necessary, upon completion of the suspension status validation process.⁷

The Commission needs more than an update to LR-11 in order to evaluate how many small rural Post Offices are likely to remain open as a result of POStPlan. The Commission needs to know how many small rural Post Offices have been suspended over the past year because of an inability to find qualified employees to staff them. Some suspended Post Offices that would otherwise be covered by POStPlan are known to have been excluded from LR-1 and remain excluded from LR-11, even though they are now operational. See Part III, *infra*. But the total number of suspended small rural Post Offices is unknown, as is the number suspended because of an inability to find qualified employees to staff them. Thus, there is no basis for witness Day's assertions that the Postal Service will be able to staff virtually all RMPOs. And an unstaffable Post Office is destined for closure, just as is Kirksey, KY.

Lobby access. Witness Day has testified that POStPlan will not interfere with customers' access to their Post Office Boxes. Day at 16. He has also testified that approximately 60 percent of POStPlan offices currently permit access to PO Boxes only when an employee is present. Tr. 1/251-52. Thus, if window hours are reduced at such an office, some action would need to be taken to allow customers to gain access to their PO Boxes when the office is not staffed. Witness Day stated that the Post Office

⁵ For the history of Gepp, see Part III, *infra*. For the history of Kirksey, see Docket No. A2012-126, Response of the United States Postal Service to Order No. 1347, July 12, 2012.

⁶ See <http://www.napus.org/postplan-implementation-pmr-opportunity/>.

⁷ Notice of United States Postal Service of Filing Library References, July 19, 2012, at 2.

building could be modified or mail receptacles could be moved outdoors. *Id.* at 250. The Postal Service has budgeted five million dollars for these alterations. *Id.* at 186. This amounts to \$641 per office, assuming 7800 affected offices (60 percent of 13,000). Such a small amount of money is not going to pay for much in the way of Post Office modifications. And a simple solution for the district manager or MPOO to sidestep all the hassle and expense associated with POSTPlan—building renovations, customer surveys, community meetings—would be to suspend the office on the grounds that existing facilities were inadequate to safeguard the office or protect the sanctity of the mail.⁸

III. THE UPDATED LIST OF CANDIDATE OFFICES CONTAINS ANOMALIES

On July 19, 2012, the Postal Service filed an updated version of LR-1, which is denominated LR-11.⁹ In its notice of filing, the Postal Service states that “18 Post Offices that were suspended and not included in USPS-LR-N2012-2/1 have subsequently reopened. These offices are now included in POSTPlan” Notice at 2. This raises the question of how many other suspended Post Offices are missing from LR-1 and LR-11. LR-1 contains 82 suspended Post Offices. Tr. 1/243-44. LR-11 contains 25 suspended Post Offices. The two library references should exclude *all* suspended Post Offices (since those offices are not covered by POSTPlan), or they should *include* all such offices (since those offices might reopen and then be covered by POSTPlan).

The Monroe, AR Post Office was suspended during the pendency of an appeal of its closure.¹⁰ Monroe is listed in LR-1 as a suspended office. LR-11 lists Monroe as not suspended and not closed. The Post Office locator tool at USPS.com indicates that Monroe is operational. The Monroe office averaged seven minutes of daily retail workload and was an EAS-55 office. Order No. 982 at 3. The Gepp, AR Post Office was also suspended during the pendency of an appeal of its closure.¹¹ Gepp does not

⁸ See Tr. 1/248; LR-5, Handbook PO-101, § 611.

⁹ Notice of United States Postal Service of Filing Library References, July 19, 2012 (Notice).

¹⁰ Docket No. A2011-40, Order Remanding Determination, Order No. 982, November 18, 2011, at 3.

¹¹ Docket No. A2011-60, Order Remanding Determination, Order No. 1091, December 30, 2011, at

appear in either LR-1 or LR-11. The Post Office locator tool at USPS.com indicates that Gepp is not operational. Presumably, the Gepp office remains suspended. The Gepp office averaged 15 minutes of daily retail workload and was an EAS-11 office. Order No. 1091 at 3. Based on its daily retail workload and EAS level, Gepp would appear to be a potential POStPlan office, just like Monroe. Neither Gepp nor Monroe appear on the list posted May 9.¹²

Sandy Point, ME appears in LR-1 as a suspended office. In LR-11, Sandy Point is neither suspended nor closed. However, the Post Office locator tool indicates that Sandy Point is not operational. Time prevents identifying more such examples. But, at present, LR-11 is unreliable.

IV. CONCLUSION

The Commission should advise the Postal Service, the Congress, and the Public that POStPlan will *not* preserve 13,000 small rural Post Offices.

Respectfully submitted,

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¹² <http://about.usps.com/news/electronic-press-kits/our-future-network/assets/pdf/postplan-affected-post-offices-120509.pdf>.